

ORIGINALDecision No. 50084

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 JACQUES REUTLINGER, doing business)
 as BONDED DRAYING SERVICE, to sell,) Application No. 35443
 and ARMANDO J. BARNI, GEORGE R. LEINO)
 and RICHARD F. MYERS to purchase)
 certain certificated rights.)

O P I N I O N

An order is sought authorizing Armando J. Barni, George R. Leino and Richard F. Myers, a partnership, to purchase and Jacques Routlinger to sell the operative rights granted by Decision No. 41125, dated January 13, 1948, and Decision No. 41933, dated August 10, 1948, together with certain personal property.

Applicant Routlinger alleges that he can no longer devote sufficient time to conduct his highway common carrier business.

A copy of an agreement of sale, dated May 17, 1954, marked Exhibit "A" is attached to the application and provides that the seller is to transfer the above-mentioned operative rights for the sum of \$3,500 and the property for the sum of \$7,000. The agreement further provides that the buyers are to deposit the sum of \$3,500 in cash with the attorney for seller upon execution of said agreement and the further sum of \$7,000 with said attorney on or before August 15, 1954.

The application discloses that Armando J. Barni and Richard F. Myers have been engaged in the motor transportation industry for the past eight years of which five years immediately last past have been spent in the employ of Jacques Routlinger in the conduct of all phases of his trucking business known as Bonded Draying Service.

The application further discloses that the said Barni, Leino and Myers possess adequate financial resources to render service under the certificates herein involved.

We find that the public interest will not be adversely affected by approval of the proposed transfer. The application will be granted. In so doing we make no finding as to the value of such operative rights. A public hearing is not necessary.

The members of the partnership are hereby placed upon notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the State, which is not in any respect limited to the number of rights which may be given.

O R D E R

An application having been filed, the Commission being of the opinion that the authority requested should be granted,

IT IS ORDERED:

(1) That Jacques Reutlinger, after the effective date hereof and on or before September 1, 1954, may sell and transfer to Armando J. Barni, George R. Leino and Richard F. Myers, a partnership, his operative rights and property referred to herein and the latter may acquire and thereafter operate the same, such sale and transfer to be in accordance with the terms of the agreement dated May 17, 1954, attached to the application as Exhibit "A."

(2) That, within thirty days after completion of the transfers herein authorized, Armando J. Barni, George R. Leino and Richard F. Myers shall so notify the Commission in writing and within said period shall file with it true copies of the instruments executed to effect such transfers.

(3) That, within ninety days after the effective date hereof and not less than five days' notice to the Commission and to the public, applicants shall amend tariffs on file with the Commission naming rates, rules and regulations governing the common carrier operations here involved to show that Jacques Routlinger has withdrawn and Armando J. Barni, George R. Leino and Richard F. Myers have adopted as their own said rates, rules and regulations.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 25th day of May, 1954.

John L. Mitchell
President
Justin J. Callahan
Lawrence Pottel
Jerome Jaggins
Commissioners